poor to the formal banking system through intermediaries, like Self-Help Groups (SHGs)/Non-Government Organisatioms (NGOs). National Bank for Agriculture & Rural Development (NABARD) has launched a pilot project, with the approval of RBI under which 500 SHG/s are expected to be covered. NABARD provides refinance to the banks which provide finance to SHGs under the pilot project. Some departure from the usual banking norms has been made Junder the pilot project and flexibility has been given to the members of the group to decide about the norms of lending to their own members. The bank; loan is given in lumpsum to the group and an individual member need not go to the bank to execute any document to obtain the loan. Linking of the poor with the banks through SHGs NGOs is expected to reduce the transaction cost for banks, facilitate better appraisal, better supervision monitoring and provide prompt and need based credit to the poor.

Duty on Stainless Steel Items

*100 SHRIMATI VEENA VERMA:
SHRI SUSHILKUMAR SAMBHAJI RAO SHINDE:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the report appeared in the Hindustan Times of 2nd February, 1994 captioned, "Steel Units misusing excise duty tariff" to the effect that producers of stainless steel are taking advantage of the difference in duties leviable on stainless steel items and alloy steel bars and rods;

(b) if so, the total estimated loss of excise on this account; and

(c) what steps have been taken by Government to avoid losses on this account?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTY): (a) to (c) Attention of Government has been drawn to a news item which appeared in the February 2, 1994, issue of the Hindustan Times alleging that some steel firms in the North are mis-declaring "staninless steel bars and roads" as "other alloy steel" products and thereby clearing them at lower rate of duty.

The position is that the Schedule to the Central Excise Tariff Act, 1985, makes a distinction between "stainless steel" and other alloy steel" products. The composition of products emanating from these two categories is different and they are also known differently in the market. Different rates of duty have been prescribed for them. The Harmonised System of Nomenclature also makes a distinction between the two categories. Accordingly, different rates of duty have been prescribed for each category.

Products of stainless steel are leviable to an ad valorem duty at 12.5% whereas most of those made of other alloy steel pay a specific rate of duty of Rs. 1,000 per Metric Tonne, which is lower than the former. (Some products made of other alloy steel are also chargeable at 42.5%). A differential in duty, with a lower rate for products of "other alloy steel" has been prevalent for some time (Pre-Budget position).

Mis-declaration of stainless steel products as those of "other alloy steel" amounts to an Offence and is liable to action under the Central Excise Law. There are six cases alleging such mis-declaration amounting to evasion of duty of Rs. 13.62 Crores which have been detected and show cause notices issued.

Commmemorative Postal Stamp on Lata Padmashri Anant Gopal Shcorey

785. DR. SHRIKANT RAMCHANDRA JICHKAR: Will the Minister of COMMUNICATIONS be pleased to state: